BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2007-18-T - ORDER NO. 2007-656

SEPTEMBER 25, 2007

IN RE: Revisions to Articles 1 and 2 of the Commission's Regulations

ORDER

PROMULGATING

REGULATIONS AND

ESTABLISHING

SEPARATE

RULEMAKING

PROCEEDING

This matter comes before the Public Service Commission of South Carolina (the Commission) for consideration of promulgation of proposed changes to the Commission's Article 2 regulations on transportation, which are officially cited as 26 S.C. Code Ann. Regs. 103-100, et. seq. (1976 and Supp. 2006) and 103-200, et seq. (1976 and Supp. 2006). A hearing was held pursuant to S.C. Code Ann. Section 1-23-111 (Supp. 2006).

In 2004, the General Assembly passed Act No. 175, which restructured the Commission. This Act modified the structure and functions of the Commission and created the Office of Regulatory Staff (ORS). Several duties of the Commission were transferred to ORS on January 1, 2005. The purpose of the revisions to 26 S.C. Code Ann. Regs. 103-100, et seq. (1976 and Supp. 2006) and 103-200, et. seq. (1976 and Supp. 2006) was to amend Article 2 to conform to the new standards set by Act No. 175 of 2004.

In the April 2007 issue of the State Register, the new regulations proposed by this Commission, a Statement of Need and Reasonableness for these regulations, and a Preliminary Fiscal Impact Statement were published. The Commission also published a Notice of Public Hearing, which stated that the Commission had scheduled a hearing for June 21, 2007 at 10:30 a.m. to take place in the Commission's Hearing Room.

A hearing was held at the noticed place and time, with the Honorable G. O'Neal Hamilton, Chairman, presiding. All jurisdictional documents were submitted into the record as a Hearing Exhibit, which was admitted into evidence. Jocelyn Boyd, Deputy Clerk, outlined the proposed changes in the Commission's Transportation Regulations to conform to Act No. 175 of 2004. Other presenters proposed modifications to the proposed regulations, including modifications to the Commission's proposed regulations on drug testing, found in proposed regulation 103-133 (7)(A)(2). This section proposed drug testing for holders of Class C taxi and Class C-Charter Certificates.

Many questions were raised at the hearing regarding drug testing methodologies and standards that have not been answered at this time. Further, the discussion on drug testing raises a question as to whether or not drug testing should be made applicable to all operators of vehicles owned by companies which hold transportation certificates issued by this Commission. We believe that the drug testing issue warrants a separate rulemaking proceeding.

Accordingly, we hereby eliminate proposed regulation 103-133(7)(A)(2) from this Commission's proposed modified transportation regulations at this time, and hold that the remaining portions of proposed regulation 103-133 (7)(A) shall be renumbered as

is appropriate. Further, we hold that a separate rulemaking proceeding shall be established to further consider the issues seen in the area of drug testing and any further changes to the transportation regulations that may be deemed appropriate. We do, however, promulgate the remainder of the proposed transportation regulations with changes, and hold that they shall be filed with the General Assembly for review. We hold that the changes to the transportation regulations are reasonable.

IT IS THEREFORE ORDERED THAT:

- 1. The Article 2 regulations as described above, with changes and with the proposed regulation on drug testing eliminated, are hereby promulgated.
- 2. These regulations shall be submitted to the General Assembly for review pursuant to State law.
- 3. A separate rulemaking proceeding is established to consider the issue of drug testing, and any other changes to the transportation regulations as may be deemed appropriate.

4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

G. O'Neal Hamilton, Chairman

ATTEST:

(SEAL)